

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

-v-

AMERINDO INVESTMENT ADVISORS  
INC., *et al.*,

Defendants.

USDS SDNY  
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DATE FILED: 10/17/2012

No. 05 Civ. 5231 (RJS)  
ORDER

RICHARD J. SULLIVAN, District Judge:

By Order dated July 17, 2012, the Court directed the parties and interested investors to make submissions regarding the appointment of a receiver for the limited purposes of taking steps to value and preserve the assets that have been seized by the government in the related criminal case and beginning the process of determining how much is owed to victims and investors. The Court is now in receipt of several letters and responses from the parties, setting forth various objections to the Court's proposed course of action, proposals for potential receivers, and counter-proposals. However, there appears to be broad agreement that some action is necessary to value the assets that are currently being held and to determine what actions must be taken to avoid their dissipation. Although Defendants and some investors urge that David Ross be appointed, the Court finds that his past work on behalf of Defendant Gary Tanaka, as well as some investors, creates the potential for a conflict of interest.

The Court is therefore prepared to appoint Ian Gazes as a receiver in this case, based on his experience in managing and liquidating large estates as a bankruptcy trustee. At this time, Mr. Gazes will be empowered only to investigate and determine the value of investor assets that

have been seized or frozen pursuant to the forfeiture order in the criminal case, to consider what actions can and should be taken to avoid dissipation of those assets, and to submit a report to the Court regarding his findings and recommendations. Upon receiving his report, the Court will determine whether Mr. Gazes should be empowered to take broader action, such as managing the assets and beginning a claims process for investors.

Additionally, although the Court is prepared to approve compensation of Mr. Gazes at the offered rate of \$250 per hour, it notes that it would be necessary for the government to release funds for that purpose. Accordingly, IT IS HEREBY ORDERED THAT the government shall submit a letter to the Court no later than October 23, 2012, setting forth its proposal for the process for compensating Mr. Gazes.

SO ORDERED.

Dated:           October 16, 2012  
                  New York, New York

  
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RICHARD J. SULLIVAN  
UNITED STATES DISTRICT JUDGE

A copy of this Order has been sent to:

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